

June 29, 2006

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: 10,400' Zone, Reservoir A
BASTIAN BAY FIELD
Plaquemines Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Hilcorp Energy Company to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 10,400' Zone, Reservoir A, in the Bastian Bay Field, Plaquemines Parish, Louisiana.

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the 10,400' Zone, Reservoir A, in the Bastian Bay Field, Plaquemines Parish, Louisiana.
2. To create a single drilling and production unit for this zone and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
3. To designate a unit operator and a unit well for the unit so created.
4. To provide that the 10,400' Zone, Reservoir A, should be exempt from the spacing provisions of Statewide Order No. 29-E.
5. To provide that the Commissioner may reclassify the reservoir by supplemental order and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.
6. To discuss any other matters that may be pertinent to this application.

The 10,400' Zone, Reservoir A, in the Bastian Bay Field, Plaquemines Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 11,388' and 11,594' (electrical log measurements) in the Hilcorp Energy Company - LL & E Fee No. 34 Well (SN 233340), located in Section 47, Township 20 South, Range 29 East, Plaquemines Parish, Louisiana. Please note that the proposed base of the defined interval has been moved up by 90' from the original Notice dated June 16, 2006. If any party has questions concerning the revised definition, please call the undersigned.

In addition to furnishing the legal notice to all Interested Parties, the applicant will provide for POSTING of the legal notice of the hearing and unit plat in a prominent place in the area of the Bastian Bay Field, Plaquemines Parish, Louisiana, and will cause the legal notice of the hearing to be PUBLISHED in a newspaper of general circulation published in the vicinity of the Bastian Bay Field, Plaquemines Parish, Louisiana, at least fifteen (15) days before the hearing date.

Any pertinent data relating to the subject application can be obtained **AT THE COST OF THE REQUESTING PARTY**, from Mr. Bill McAlister at Leon E. Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505 (337-233-9839).

In compliance with the Rules of Procedure, a preapplication notice was given, but no request for a conference was received, and therefore, none was held.

There are attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties and proposed unit plat (being the same plat attached to the June 16, 2006 preapplication notice) are being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, said plat and the list of parties will be provided to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed our check on behalf of the applicant, Hilcorp Energy Company in the sum of \$755.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Bill McAlister, Jr.

BMJr/cu
Enclosures

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-4284

Interested Parties, Interested
Owners and Represented Parties

